

ORIGINAL



EX PARTE OR LATE FILED

OCT 23 2002

October 23, 2002

**NOTICE OF EX PARTE
PRESENTATION**

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TW B204
Washington, DC 20554

Re: **Federal-State Joint Board on Universal Service**
CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200,
95-200, 95-116, 98-170 and NSD File No. L-00-72

Dear Ms. Dortch:

The attached written *Ex Parte* Presentation concerning the above-referenced proceeding was sent to the Honorable Michael K. Powell, by the undersigned on October 23, 2002, on behalf of Palmetto Rural Telephone Cooperative. In accordance with FCC Rule 1.1206(b)(1)¹, this Notice of *Ex Parte* Presentation and a copy of the referenced *Ex Parte* Presentation are being filed with you electronically for inclusion in the public record. Should you have any questions, please contact me at 843-538-2020.

Sincerely,

H.J. Dandridge III
General Manager

cc: Commissioner Kathleen Q. Abernathy
Commissioner Michael Copps
Commissioner Kevin Martin

No. of Copies rec'd
and FILED

¹ 47 C.F.R. § 1.1206(b)(1).

ORIGINAL

OCT 29 2002

October 23, 2002

EX PARTE PRESENTATION

Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street, SW, Room 8 B201
Washington, DC 20554

Re: Federal-State Joint Board on Universal Service,
CC Docket Nos. 96-45, 98-171, 90-571, 92-237,
99-200, 95-200, 95-116, 98-170 and NSD File No. L-00-72;

Dear Chairman Powell:

I write to you on behalf of Palmetto Rural Telephone Cooperative to indicate support for the interim universal service contribution methodology proposed by the United States Telecom Association (USTA). Palmetto Rural Telephone Cooperative believes that adoption of the interim methodology will best ensure that sufficient universal support will continue to be available to eligible carriers. Palmetto Rural Telephone Cooperative urges the Federal Communications Commission (FCC) to continue to examine the creation of a long-term contribution methodology while the industry operates under the interim methodology.

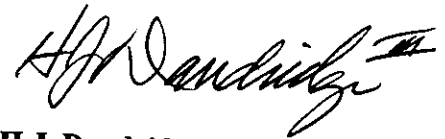
The interim methodology should be based on interstate end-user revenues as a contribution base. The FCC should use a "collect and remit" system. Under this system carriers would remit payments based on the application of the USAC percentage to the interstate retail revenues actually collected. The FCC should raise the "safe harbor" contribution limit for wireless providers to 20-28 percent unless the wireless provider can determine its actual interstate retail revenue, and the safe harbor percentage should be applied to wireless providers on a company-wide basis. Competitive local exchange carriers (CLECs) should impute an amount equal to the subscriber line charge (SLC) assessed by the incumbent local exchange carrier (ILEC) in a CLEC's service area. CLECs should be provided with the option of reporting the imputation based on the actual SLC amount assessed by the ILEC or an amount equal to the nationwide SLC cap. All broadband and broadband service providers should contribute to universal service support on an equivalent basis. Finally, the FCC should impose a cap on the recovery of administrative, billing and overhead costs that contributors to universal service support programs are allowed to include in the universal service charge collected on customers' bills.

OCT 30 2002

Honorable Michael K. Powell
October 23, 2002
Page 2

The interim contribution methodology is not a substitute for the principles and long-term connection-based proposal presented by USTA in its comments and reply comments filed in this proceeding on April 22, 2002, and May 13, 2002, respectively. It is necessary, though, in order to allow the FCC more time to address the administrative and legal concerns related to the methodologies currently under review.

Sincerely,

A handwritten signature in dark ink, appearing to read "H.J. Dandridge III", with a stylized flourish at the end.

H.J. Dandridge III
General Manager

cc: Commissioner Kathleen Q. Abernathy
Commissioner Michael Copps
Commissioner Kevin Martin